JIM SULLIVAN, PRESIDENT

JAN COOK, ASSOCIATE COMMISSIONER

CHARLES B. MARTIN, ASSOCIATE COMMISSIONER

STATE OF ALABAMA

ALABAMA PUBLIC SERVICE COMMISSION P. O. BOX 991 MONTGOMERY, ALABAMA 36101-0991

RECEIVED

JUL - 8 1992

Federal Communications Commission Office of the Secretary WALLACE TIDMORE

SECRETARY

July 7, 1992

RECEIVED

WE 8 1992

FCC MAIL BHANCH

Ms. Donna R. Searcy Secretary Federal Communications Commission 1919 M Street N.W. Washington, D.C. 20554

RE: RM-7990

National Association of Attorneys General Petition for Rulemaking

Dear Ms. Searcy:

Enclosed please find for filling, in the above captioned proceeding, an original and nine copies of the comments of the Alabama Public Service Commission.

Respectfully,

Eugene G. Hanes

Federal Affairs Advisor

1m

No. of Copies rec'd List A B C D E

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

RECEIVED

JUL - (* 1992

In the Matter of)	Office of the Secretary
National Association of)	RECEIVED
Attorneys General Petition For Rulemaking)	WE 8 1992

FCC MAIL BRANCH

COMMENTS OF THE ALABAMA PUBLIC SERVICE COMMISSION

The Alabama Public Service Commission (APSC) respectfully submits comments in response to the Federal Communications Commission's (FCC) Notice of Petition For Rulemaking (RM-7990) released June 2, 1992 in the above captioned proceeding.

I. <u>INTRODUCTION</u>

The FCC has initiated this rulemaking proceeding prompted by the concerns of the 900 Number Subcommittee of the Consumer Protection Committee of the National Association of Attorneys General (NAAG) and thirty-four individual states attorneys general. The Petition requests that the FCC issue an order clearly stating that pay-per-call rules, as adopted in CC Docket 91-65, Policies and Rules Concerning Interstate Telecommunications Services, (Pay-Per-Call Services Order), apply to such services offered over standard inward WATS (800) services; and prohibiting carriers from providing 800 service for providers which bill customers through the use of either tone generation technology, automatic number identification or billing detail information.

The APSC strongly supports the request of the NAAG that the FCC further implement rules that will allow the consumer to continue to make an informed choice, not a choice predicated on consumer confusion and lack of knowledge. The APSC offers the following comments in response to the issues addressed in the Petition For Rulemaking.

II. <u>DISCUSSION</u>

In its <u>Pay-Per-Call Services Order</u>, the FCC implemented rules providing standards and requirements for pay-per-call services. In its comments for that NOPR, the APSC stated "...the proposed requirements for 900 services should apply to interstate 700, 976, 540, 800 and similar services for which a charge applies. If the rules are applied only to 900 services, the information provider that is in the business for other than legitimate reasons will simply attempt to gravitate to the other numbers where the rules are not as stringent." (p.7). This is the case in point. The Petition by NAAG clearly points out the inherently misleading nature of this practice and the recent proliferation of pay-per-call services which solicit calls by the use of "free" 800 numbers. If no rules are implemented to curb these 800 abuses, consumers will be back to the same posture they were in prior to the <u>Pay-Per-Call Services Order</u>.

The APSC concurs with the assessment by the NAAG that the <u>Pay-Per-Call Order</u> contemplated the use of other prefixes by information service providers. In that Order, the FCC stated "(I)n adopting the modified rule, we are <u>eliminating the opportunity for</u>

pay-per-call services to avoid regulation by moving to other exchanges. The 900 exchange has all the attributes necessary for the provision of information services to the public, and the record shows no valid technical or legal reason why the public would be better served by allowing interstate pay-per-call services to be free of regulation simply because they are on an exchange other than 900." (Emphasis added). The APSC agrees with NAAG that there should be no question that pay-per-call, not just 900 numbers were intended to be covered by the FCC Order. This intent should be stated so that no ambiguity exists.

Relying on the belief that the FCC intended controls on the type of call (pay-per-call), not the numerical designation (900), the APSC incorporated the FCC definition of pay-per-call in its December 9, 1991 Order (Docket U-3113), addressing 900/976 services. In that Order, the APSC said that "...we refer to '900' and/or '976' services for convenience, although the opinion is directed at all pay-per-call services. We hereby adopt the definition of these services adopted by the (FCC)..." (Emphasis added). This language and definition was used in the belief that the FCC did intend for its Order to cover pay-per-call in all its guises, not just in the context of 900 prefixes.

Due to the general perception consumers have that 800 numbers equate to a free call, and the inherently misleading nature of these new 800 pay-per-call numbers, we find it appropriate, and support the NAAG request that the FCC take the additional step of prohibiting carriers from providing 800 number service to information providers when the service bills consumers by the use

of either tone generation technology, or the use of data supplied through ANI or carrier provided billing detail as a result of the 800 call.

III. CONCLUSION

The APSC recognizes the problems that consumers have with payper-call services. The APSC strongly supports the efforts of the NAAG in this Petition to address abuses in the interstate 900/800 services field. The APSC hereby offers its comments on the proposed rules.

Respectfully submitted,
ALABAMA PUBLIC SERVICE COMMISSION

Ву

Eugene G. Hanes Advisory Staff P.O.Box 991

Montgomery, Alabama 36101-0991 (205) 242-5025

Bv

Gary Tomlin

Director of Telecommunications

P.O.Box 991

Montgomery, Alabama 36101-0991

(205) 242-5983

June 23, 1992